

The DoD's slow payment process results from Defense Printing Service ("DPS") requiring that all GPO invoices pass through its organization before payment is initiated; also, DoD does not use OPAC. DPS bills its customers and pays GPO after receipt of payment from its DoD customers. This additional layer of DoD administration has had an immediate negative impact on GPO's ability to collect from DoD since the inception of DPS in October 1992. GPO has been working with DoD management to resolve this problem, and a special task force has been established within DoD to research and pay GPO invoices. Another goal of the task force is to convert DoD's payment process from a manual to an electronic system. This conversion is scheduled for fiscal year 1996. GPO's goal for fiscal year 1996 is to improve the DoD receivables turnover while maintaining non-DoD collections at the current rate.

Management Comments

GPO's consolidated financial statements are prepared in accordance with generally accepted accounting principles ("GAAP"). GAAP requires that financial statements be prepared on the accrual basis of accounting, whereby expenses are recorded when incurred and revenues are recorded when earned, regardless of when cash is received or disbursed. The statements are prepared in a manner consistent with that of the previous year. The accompanying financial statements provide information on all events and economic affairs controlled by GPO in conformity with established procedures and promulgated accounting principles.

GPO's accounting system includes internal controls designed to provide reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition and that transactions are properly recorded. To ensure that adequate internal controls are maintained, management monitors the accounting system and initiates modifications or improvements deemed necessary to promote operational efficiencies and encourage adherence to prescribed managerial policies.

Budgetary Issues

GPO's mission is to assist Congress and Federal agencies in the cost-effective creation and replication of information products and services and to provide effective and economical public access to government information products and services. GPO strives to operate and manage its resources as efficiently as possible and to achieve a steady gain in productivity.

Neither Congress nor GPO has the ability to accurately forecast or control the volume of printing that may be needed for the legislative process. In years where the workload exceeds the funding available, GPO exercises its authority to temporarily fund any shortfall through the Revolving Fund. There has been a decline in traditional printing and binding in the Federal government, and this trend is expected to continue. GPO will respond to the decline in demand for ink-on-paper products by continuing to downsize and reduce costs, by procuring a larger share of the Federal printing market, and by encouraging the adoption of electronic-media products when cost effective.